

***STATE OF CALIFORNIA***  
***GRAY DAVIS, Governor***

***BUSINESS, TRANSPORTATION AND HOUSING AGENCY***

***DEPARTMENT OF CORPORATIONS***

***DEMETRIOS A. BOUTRIS***  
***California Corporations Commissioner***

***FINANCIAL SERVICES DIVISION***

***LOUISA BROUDY, Assistant Commissioner***  
***KEN A. NAGASHIMA, Special Administrator***

***California Finance Lenders Law***

***1515 K Street***  
***Sacramento, CA 95814***

***320 West 4th Street***  
***Los Angeles, CA 90013***

***1390 Market Street***  
***San Francisco, CA 94102***

***1350 Front Street***  
***San Diego, CA 92101***

*Los Angeles, California  
May 20, 2003*

*This Report includes data submitted by lenders licensed under the Commercial Finance Lenders (CML) law, as well as lenders and brokers licensed under the Personal Property Brokers (PPB) law and Consumer Finance Lenders (CFL) law until July 1, 1995 and Finance Lenders for the balance of the 1995 calendar year.*

*Effective July 1, 1995, the PPB, CFL, and CML laws were consolidated without substantive change into a single regulatory program, the CALIFORNIA FINANCE LENDERS LAW. This report is a composite of annual reports of California's lender and broker licensees for the calendar year ended December 31, 2002 submitted in compliance with Section 22159 of the California Finance Lenders Law.*

*This Report is based on unaudited data presented by licensees and submitted in a format prescribed by the Department of Corporations. While the format of the financial information presented in the Report follows that of conventional financial statements, the reader should be aware that the data contained herein is primarily statistical in nature.*

*Statistical data compilations required of licensees have been modified to provide more meaningful statistics. Comparison of such data with prior years will be left to the reader.*

AS OF	NUMBER OF LICENSEES
DECEMBER 31, 1995	4,735
DECEMBER 31, 1996	4,424
DECEMBER 31, 1997	4,404
DECEMBER 31, 1998	4,180
DECEMBER 31, 1999	3,829
DECEMBER 31, 2000	3,789
DECEMBER 31, 2001	3,732
DECEMBER 31, 2002	4,110

# STATISTICAL INFORMATION

## Average Size of Loans

PERSONAL PROPERTY BROKERS					
Calendar Year	Number of Loans Made	Principal Amount of Loans Made	Average Size of Loans Made		
			Consumer Loans	Commercial Loans	All Loans
1991	632,249	\$2,267,270,498.00	\$1,743.00	\$50,106.00	\$3,586.00
1992	587,154	\$2,666,084,709.00	\$2,334.00	\$48,184.00	\$4,540.00
1993	543,540	\$2,627,448,351.00	\$2,002.00	\$44,536.00	\$4,834.00
1994	337,175	\$3,298,179,224.00	\$17,818.00	\$8,513.00	\$9,782.00

CONSUMER FINANCE LENDERS					
Calendar Year	Number of Loans Made	Principal Amount of Loans Made	Average Size of Loans Made		
1991	820,403	\$13,927,271,337		\$16,976	
1992	836,438	\$20,030,605,902		\$23,947	
1993	896,835	\$23,383,765,928		\$26,074	
1994	1,504,523	\$24,780,150,081		\$16,470	

COMMERCIAL FINANCE LENDERS					
Calendar Year	Number of Loans Made	Principal Amount of Loans Made	Average Size of Loans Made		
1991	67,957	\$15,831,822,614		\$232,968	
1992	115,717	\$29,561,622,940		\$255,464	
1993	64,915	\$27,736,658,256		\$427,277	
1994	192,420	\$17,740,069,588		\$92,195	

CALIFORNIA FINANCE LENDERS					
Calendar Year	Number of Loans Made	Principal Amount of Loans Made	Average Size of Loans Made		
			Consumer Loans	Commercial Loans	All Loans
1995	2,601,815	\$53,859,078,047	\$10,843	\$41,112	\$20,701
1996	2,831,313	\$56,384,220,436	\$7,147	\$46,380	\$19,915
1997	3,078,334	\$79,336,869,590	\$11,312	\$47,287	\$25,773
1998	2,912,288	\$96,772,880,848	\$21,510	\$45,945	\$33,229
1999	3,032,409	\$106,276,270,474	\$21,881	\$56,110	\$35,047
2000	3,006,443	\$87,886,670,201	\$15,456	\$48,173	\$29,233
2001	3,530,073	\$137,947,617,838	\$20,699	\$64,389	\$39,078
2002	3,522,892	\$179,873,083,672	\$27,363	\$78,928	\$51,058

***INDEX TO EXHIBITS***  
***CALIFORNIA FINANCE LENDERS***

<b><u>Exhibit</u></b>	<b><u>Page</u></b>
<b><i>A    Balance Sheet .....</i></b>	<b><i>5</i></b>
<b><i>B    Analysis of Loans and Receivables Outstanding .....</i></b>	<b><i>6</i></b>
<b><i>C    Statement of Income and Expenses .....</i></b>	<b><i>7</i></b>
<b><i>D    Analysis of Income Received .....</i></b>	<b><i>8</i></b>
<b><i>E    Loans Made or Refinanced by Size .....</i></b>	<b><i>9</i></b>
<b><i>F    Loans Made or Refinanced by Type of Security .....</i></b>	<b><i>10</i></b>
<b><i>G    Loans Made or Refinanced by Rates Charged .....</i></b>	<b><i>12</i></b>

EXHIBIT A  
CALIFORNIA FINANCE LENDERS  
**BALANCE SHEET**  
AS OF DECEMBER 31, 2002  
(in thousands)

<b><u>ASSETS</u></b>		<u>% of Total Assets</u>
Cash	\$ 66,094,213	3.14
Investments	310,862,098	14.78
California Finance Lender Loan Receivables	89,069,696	4.24
Other Receivables	765,628,580	36.41
Reserves and Withholds by Banks and Finance Companies	727,392	0.03
Real and Personal Property (Net)	72,862,691	3.47
Prepaid Expenses and Deferred Charges	5,630,146	0.27
Commissions Receivables	235,114	0.01
Other Assets	791,545,624	37.65
	<hr/>	<hr/>
Total Assets	\$ 2,102,655,554	100.00
	<hr/> <hr/>	<hr/> <hr/>

<b><u>LIABILITIES AND NET WORTH</u></b>		<u>% of Total Liabilities and Net Worth</u>
Loans and Notes Payable from Third Parties	\$ 333,862,858	15.88
Loans and Notes Payable from Parent Companies, Affiliates, etc.	407,456,001	19.38
Bonds, Debentures, Notes and Certificates of Indebtedness	360,878,781	17.16
Accounts Payable	204,515,262	9.73
Dealers Reserves and Withholds	7,554,116	0.36
Accrued Taxes Other Than Income Tax	1,230,213	0.06
Reserve for Income Taxes	39,270,304	1.87
Credit Insurance Premiums Due Insurer	360,594	0.02
Other Liabilities and Accruals	543,830,301	25.86
	<hr/>	<hr/>
Total Liabilities	1,898,958,430	90.31
Net Worth	203,697,124	9.69
	<hr/>	<hr/>
Total Liabilities and Net Worth	\$ 2,102,655,554	100.00
	<hr/> <hr/>	<hr/> <hr/>

EXHIBIT B  
CALIFORNIA FINANCE LENDERS  
**ANALYSIS OF LOANS AND RECEIVABLES OUTSTANDING**  
AS OF DECEMBER 31, 2002  
(in thousands)

	<u>Aggregate Balance</u>	<u>% of Subtotal</u>
<b><u>CALIFORNIA FINANCE LENDER LOAN RECEIVABLES</u></b>		
Consumer Loans	\$ 42,534,118	45.97
Commercial Loans	<u>49,988,564</u>	<u>54.03</u>
Subtotal	\$ 92,522,682	<u>100.00</u>
Less: Unearned Pre-computed Charges	2,019,194	
Allowance for Bad Debts	<u>1,433,792</u>	
Net California Finance Lender Loan Receivables	<u>\$ 89,069,696</u>	

**OTHER RECEIVABLES**

Sales Contracts	\$ 179,630,864	22.73
Leases (True Leases)	88,125,902	11.15
Factoring	12,927,105	1.64
Other	<u>509,620,749</u>	<u>64.48</u>
Subtotal	\$ 790,304,620	<u>100.00</u>
Less: Unearned Pre-computed Charges and Discounts	13,706,218	
Allowance for Bad Debts	<u>10,969,822</u>	
Net Other Receivables	<u>\$ 765,628,580</u>	

EXHIBIT C  
CALIFORNIA FINANCE LENDERS  
**STATEMENT OF INCOME AND EXPENSES**  
FOR CALENDAR YEAR 2002  
(in thousands)

		<u>% of Total Income</u>
<b><u>INCOME</u></b>		
Gross Income from California Finance Lender Loans and California Finance Lender Brokered Loans	\$ 8,506,300	3.45
Gross Income from All Other Business and Sources	<u>238,116,503</u>	<u>96.55</u>
Total Gross Income	<u><u>\$ 246,622,803</u></u>	<u><u>100.00</u></u>
<b><u>EXPENSES</u></b>		
Advertising and Promotion	\$ 1,321,485	0.54
Professional Audit and Accounting Services	698,717	0.28
Insurance and Bond Premiums	399,869	0.16
Legal Services and Expenses	962,343	0.39
Occupancy Expenses	2,183,921	0.89
Provision for Bad Debt Allowance	14,080,389	5.71
Salaries and Bonuses: Employees	27,419,560	11.12
Salaries and Bonuses: Owners, Partners, Executives	507,081	0.21
Depreciation	14,553,054	5.90
License Fees and Taxes	530,376	0.22
Telephone and Utilities	1,245,702	0.51
Travel	656,131	0.27
Other Expenses	<u>104,339,926</u>	<u>42.31</u>
Total Expenses before Interest and Income Taxes	<u>\$ 168,898,554</u>	<u>68.48</u>
Income before Intrerest and Income Taxes	\$ 77,724,249	31.52
Less: Interest Paid to Bona Fide Third Parties	39,538,195	16.03
Interest Paid to Parent Company, Affiliates and Others	<u>12,157,755</u>	<u>4.93</u>
Income before Income Taxes	\$ 26,028,299	10.55
Less: Provision for Income Taxes	<u>6,385,877</u>	<u>2.59</u>
Net Income	<u><u>\$ 19,642,422</u></u>	<u><u>7.96</u></u>

EXHIBIT D  
CALIFORNIA FINANCE LENDERS  
**ANALYSIS OF INCOME RECEIVED**  
FOR CALENDAR YEAR 2002  
(in thousands)

<b><u>CFL LOANS AND CFL BROKERED LOANS</u></b>	Loans Under \$2,500	Loans \$2,500 and Over	Total
<b><u>CONSUMER LOANS</u></b>			
Charges Earned on Loans	\$ 151,991	\$ 3,503,978	\$ 3,655,969
Collection from Charged Off Accounts	2,789	23,496	26,285
Income from Credit Insurance	84	913	997
Other Insurance Commissions	47	887	934
Administrative Fees	513	129,882	130,395
Commissions from Loan Brokering	20	79,087	79,107
Other Income	54,904	460,147	515,051
Income from Consumer Loans	<u>\$ 210,348</u>	<u>\$ 4,198,390</u>	<u>\$ 4,408,738</u>

**COMMERCIAL LOANS**

Charges Earned on Loans	\$ 3,692,569
Collection from Charged Off Accounts	38,777
Income from Credit Insurance	96
Other Insurance Commissions	74
Commissions from Loan Brokering	4,523
Other Income	361,523
Income from Commercial Loans	<u>\$ 4,097,562</u>
Total Income from All Loans	<u>\$ 8,506,300</u>

**ALL OTHER BUSINESS AND SOURCES**

Charges Earned on Loans	\$ 60,408,654
Other Interest or Return on Investments	19,980,992
Collection from Charged Off Accounts	186,041
Income from Credit Insurance	5,732
Other Insurance Commissions	70,867
Other Income Relating to Loans	157,464,217
Total Income from All Other Business and Sources	<u>\$ 238,116,503</u>



EXHIBIT E  
CALIFORNIA FINANCE LENDERS  
**LOANS MADE OR REFINANCED BY SIZE**  
FOR CALENDAR YEAR 2002

<u>Size of Loan</u>	<u>Number of Loans</u>	<u>% of Total Number</u>	<u>Principal Amount (in thousands)</u>	<u>% of Total Amount</u>
<b><u>CONSUMER LOANS</u></b>				
\$ 499 or less	116,828	6.14	\$ 21,535	0.04
500 to 1,999	230,035	12.08	291,230	0.56
2,000 to 2,499	31,956	1.68	68,961	0.13
2,500 to 4,999	204,921	10.76	747,656	1.44
5,000 to 9,999	272,955	14.34	1,840,836	3.53
10,000 or more	<u>1,047,365</u>	<u>55.01</u>	<u>49,131,001</u>	<u>94.30</u>
Total Consumer Loans Made	<u>1,904,060</u>	<u>100.00</u>	<u>\$ 52,101,219</u>	<u>100.00</u>
<b><u>COMMERCIAL LOANS</u></b>				
\$5,000 or more	<u>1,618,832</u>	<u>100.00</u>	<u>\$ 127,771,865</u>	<u>100.00</u>
Total Commercial Loans Made	<u>1,618,832</u>	<u>100.00</u>	<u>\$ 127,771,865</u>	<u>100.00</u>
Total Loans Made, All Categories	<u>3,522,892</u>		<u>\$ 179,873,084</u>	

EXHIBIT F  
CALIFORNIA FINANCE LENDERS  
**LOANS MADE OR REFINANCED BY TYPE OF SECURITY**  
FOR CALENDAR YEAR 2002

Type of Security	Number of Loans	% of Total Number	Principal Amount (in thousands)	% of Total Amount
<b><u>CONSUMER LOANS</u></b>				
<b><u>LOANS UNDER \$2,500</u></b>				
Unsecured	215,873	56.99	\$ 229,148	60.03
Personal Property	97,577	25.76	72,753	19.06
Automobiles & Other Motor Vehicles	12,976	3.43	20,566	5.39
Wage Assignments	94	0.02	84	0.02
Other Security	52,299	13.81	59,175	15.50
Total Loans Made	<u>378,819</u>	<u>100.00</u>	<u>\$ 381,726</u>	<u>100.00</u>
<b><u>LOANS OF \$2,500 TO \$4,999</u></b>				
Unsecured	82,411	40.22	\$ 301,446	40.32
Personal Property	29,930	14.61	109,108	14.59
Automobiles & Other Motor Vehicles	20,423	9.97	70,236	9.39
Wage Assignments	28	0.01	76	0.01
Other Security	72,129	35.20	266,790	35.68
Total Loans Made	<u>204,921</u>	<u>100.00</u>	<u>\$ 747,656</u>	<u>100.00</u>
<b><u>LOANS OF \$5,000 TO \$9,999</u></b>				
Unsecured	84,032	30.79	\$ 519,072	28.20
Personal Property	18,476	6.77	118,824	6.45
Automobiles & Other Motor Vehicles	26,701	9.78	399,946	21.73
Wage Assignments	9	0.00	62	0.00
Real Property	3,563	1.31	25,873	1.41
Other Security	140,174	51.35	777,059	42.21
Total Loans Made	<u>272,955</u>	<u>100.00</u>	<u>\$ 1,840,836</u>	<u>100.00</u>
<b><u>LOANS OF \$10,000 AND MORE</u></b>				
Unsecured	7,578	0.72	\$ 99,728	0.20
Personal Property	468	0.04	8,392	0.02
Automobiles & Other Motor Vehicles	293,833	28.05	7,905,035	16.09
Wage Assignments	109	0.01	17,386	0.04
Real Property	221,889	21.19	34,276,844	69.77
Other Security	523,488	49.98	6,823,616	13.89
Total Loans Made	<u>1,047,365</u>	<u>100.00</u>	<u>\$ 49,131,001</u>	<u>100.00</u>
Total Consumer Loans Made	<u>1,904,060</u>		<u>\$ 52,101,219</u>	

EXHIBIT F  
(Continuation)  
CALIFORNIA FINANCE LENDERS  
**LOANS MADE OR REFINANCED BY TYPE OF SECURITY**  
FOR CALENDAR YEAR 2002

<u>Type of Security</u>	<u>Number of Loans</u>	<u>% of Total Number</u>	<u>Principal Amount (in thousands)</u>	<u>% of Total Amount</u>
<b><u>COMMERCIAL LOANS</u></b>				
Unsecured	124,306	7.68	\$ 6,731,884	5.27
Personal Property	229,355	14.17	41,818,004	32.73
Automobiles & Other Motor Vehicles	964,523	59.58	24,389,910	19.09
Business Equipment	93,304	5.76	3,555,406	2.78
Real Property	105,411	6.51	25,606,298	20.04
Other Security	<u>101,933</u>	<u>6.30</u>	<u>25,670,363</u>	<u>20.09</u>
Total Commercial Loans Made	<u>1,618,832</u>	<u>100.00</u>	<u>\$ 127,771,865</u>	<u>100.00</u>
 Total Loans Made, All Categories	 <u>3,522,892</u>		 <u>\$ 179,873,084</u>	

EXHIBIT G  
CALIFORNIA FINANCE LENDERS  
**LOANS MADE OR REFINANCED BY RATES CHARGED**  
FOR CALENDAR YEAR 2002

<u>Rates Charged</u>	<u>Number of Loans</u>	<u>% of Total Number</u>	<u>Principal Amount (in thousands)</u>	<u>% of Total Amount</u>
<b><u>CONSUMER LOANS</u></b>				
<b><u>LOANS UNDER \$2,500</u></b>				
Step Rate:				
2 1/2 - 2 - 1 1/2 - 1% per month	77,402	20.43	\$ 28,402	7.44
Alternate Rate:				
1.6% per month	0	0.00	0	0.00
Federal Reserve Bank Rate plus 10%	0	0.00	0	0.00
Other Rates:				
Up to 14.999 APR	30,303	8.00	24,510	6.42
15.000 to 19.999 APR	36,203	9.56	47,448	12.43
20.000 to 24.999 APR	186,261	49.17	248,498	65.10
25.000 to 29.999 APR	41,452	10.94	26,742	7.01
30.000 to 34.999 APR	2,322	0.61	2,227	0.58
35.000 to 39.999 APR	895	0.24	684	0.18
40.000 or More APR	933	0.25	750	0.20
Variable Rates Based on Index	3,048	0.80	2,465	0.65
Total Loans Made	<u>378,819</u>	<u>100.00</u>	<u>\$ 381,726</u>	<u>100.00</u>
<b><u>LOANS OF \$2,500 TO \$4,999</u></b>				
Up to 14.999 APR	4,684	2.29	\$ 17,045	2.28
15.000 to 19.999 APR	82,636	40.33	306,827	41.04
20.000 to 24.999 APR	29,851	14.57	104,951	14.04
25.000 to 29.999 APR	69,962	34.14	258,129	34.53
30.000 to 34.999 APR	11,789	5.75	40,053	5.36
35.000 to 39.999 APR	2,616	1.28	6,959	0.93
40.000 or More APR	2,756	1.34	11,568	1.55
Variable Rates Based on Index	627	0.31	2,124	0.28
Total Loans Made	<u>204,921</u>	<u>100.00</u>	<u>\$ 747,656</u>	<u>100.00</u>
<b><u>LOANS OF \$5,000 TO \$9,999</u></b>				
Up to 14.999 APR	138,797	50.85	\$ 500,055	27.16
15.000 to 19.999 APR	25,477	9.33	653,026	35.47
20.000 to 24.999 APR	29,344	10.75	194,785	10.58
25.000 to 29.999 APR	77,330	28.33	480,421	26.10
30.000 to 34.999 APR	387	0.14	2,479	0.13
35.000 to 39.999 APR	2	0.00	22	0.00
40.000 or More APR	1,106	0.41	6,646	0.36
Variable Rates Based on Index	512	0.19	3,402	0.18
Total Loans Made	<u>272,955</u>	<u>100.00</u>	<u>\$ 1,840,836</u>	<u>100.00</u>
<b><u>LOANS OF \$10,000 AND MORE</u></b>				
Up to 14.999 APR	946,094	90.33	\$ 38,815,873	79.00
15.000 to 19.999 APR	31,871	3.04	842,066	1.71
20.000 to 24.999 APR	14,226	1.36	238,203	0.48
25.000 to 29.999 APR	5,113	0.49	65,066	0.13
30.000 to 34.999 APR	138	0.01	3,378	0.01
35.000 to 39.999 APR	45	0.00	1,631	0.00
40.000 or More APR	11,542	1.10	2,144,667	4.37
Variable Rates Based on Index	38,336	3.66	7,020,117	14.29
Total Loans Made	<u>1,047,365</u>	<u>100.00</u>	<u>\$ 49,131,001</u>	<u>100.00</u>
Total Consumer Loans Made	<u>1,904,060</u>		<u>\$ 52,101,219</u>	

EXHIBIT G  
(Continuation)  
CALIFORNIA FINANCE LENDERS  
**LOANS MADE OR REFINANCED BY RATES CHARGED**  
FOR CALENDAR YEAR 2002

<u>Rates Charged</u>	<u>Number of Loans</u>	<u>% of Total Number</u>	<u>Principal Amount (in thousands)</u>	<u>% of Total Amount</u>
<b><u>COMMERCIAL LOANS</u></b>				
Up to 14.999    APR	318,622	19.68	\$ 41,302,337	32.33
15.000 to 19.999    APR	3,628	0.22	661,821	0.52
20.000 to 24.999    APR	885	0.05	110,120	0.09
25.000 to 29.999    APR	360	0.02	52,551	0.04
30.000 to 34.999    APR	6,045	0.37	241,673	0.19
35.000 to 39.999    APR	273	0.02	48,438	0.04
40.000 or More    APR	1,449	0.09	209,029	0.16
Variable Rates Based on Index	<u>1,287,570</u>	<u>79.54</u>	<u>85,145,896</u>	<u>66.64</u>
Total Commercial Loans Made	<u>1,618,832</u>	<u>100.00</u>	<u>\$ 127,771,865</u>	<u>100.00</u>
 Total Loans Made, All Categories	 <u>3,522,892</u>		 <u>\$ 179,873,084</u>	